From: Dobson, Matthew < Matthew.Dobson@freedmaxick.com >

Sent: Tuesday, March 22, 2022 7:36 AM

To: Ryan Sasson **Cc:** Soluri Jr, Ron

Subject: RE: Audit - Carolina settlement

Hi Ryan – are you still able to join the call now?

Thanks, Matt

MATT DOBSON, CPA, ACA SENIOR MANAGER



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From: Ryan Sasson <rsasson@stratfs.com> Sent: Monday, March 21, 2022 15:28

To: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Cc: Soluri Jr, Ron < Ron. Soluri. Jr@freedmaxick.com>

Subject: Re: Audit - Carolina settlement

I can do 8:30 or 10:30 tomorrow morning.

Best,

Ryan Sasson

CEO

Strategic Financial Solutions

From: Dobson, Matthew < Matthew.Dobson@freedmaxick.com

Sent: Saturday, March 19, 2022 9:26:43 AM To: Ryan Sasson rsasson@stratfs.com>

Cc: Soluri Jr, Ron < Ron.Soluri.Jr@freedmaxick.com >

Subject: Re: Audit - Carolina settlement

Thanks Ryan. I can't make a call at 11.30 on Monday - do you have any availability on Tuesday morning before 11, or Wednesday.

Thanks

MATT DOBSON SENIOR MANAGER FREED MAXICK CPAS P.C. 716-332-2697

From: Ryan Sasson <<u>rsasson@stratfs.com</u>> Sent: Friday, March 18, 2022 8:33:32 PM

To: Dobson, Matthew < Matthew.Dobson@freedmaxick.com>

Cc: Soluri Jr, Ron < Ron. Soluri. Jr@freedmaxick.com >

Subject: Re: Audit - Carolina settlement

I am not available at 8 on Monday but can make 11:30 work.

I think you are mis-informed or have the information wrong. The law firms paid ALL of that settlement and Strategic is not reimbursing them.

Best,

Ryan Sasson CEO

Strategic Financial Solutions

From: Dobson, Matthew < Matthew.Dobson@freedmaxick.com>

Sent: Friday, March 18, 2022 1:17:13 PM **To:** Ryan Sasson rsasson@stratfs.com

Cc: Soluri Jr, Ron < <u>Ron.Soluri.Jr@freedmaxick.com</u>>

Subject: Audit - Carolina settlement

Ryan -Are you available at 8am on Monday morning to have a call about the legal settlement with Carolina law firm? We want to understand the nature of the settlement and who was responsible for paying the settlement - Sal said to reach out to you. We understand Jason Blust may have paid all or part of the settlement but that Strategic may be reimbursing him a portion?

Any additional information including additional agreements between you and Jason Blust would be appreciated.

I'll send an invite for that time unless you can provide an update by email.

Thanks Matt

MATT DOBSON SENIOR MANAGER FREED MAXICK CPAS P.C. 716-332-2697

From: Salvatore Tirabassi < sent: Thursday, March 17, 2022 10:55:34 AM

To: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >; Soluri Jr, Ron < Ron. Soluri. Jr@freedmaxick.com >

Cc: Cameron Ball <<u>cball@stratfs.com</u>>; Ryan Sasson <<u>rsasson@stratfs.com</u>>

Subject: Re: Success fee (phantom shares)

Ron and Matt

Cameron told me that you got conflicting information about the Carolina settlement. It's not the right information. The law firm's back-end technology connections to our systems is not related to the settlement.

Ryan took the lead on negotiating the settlement so you should talk to him about how that worked and why we did not pay anything.

When do you want to have a call?

ST

Salvatore Tirabassi

Chief Financial Officer

E: stirabassi@stratfs.com





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From: Dobson, Matthew < Matthew.Dobson@freedmaxick.com>

Date: Thursday, March 17, 2022 at 6:31 AM **To:** Salvatore Tirabassi <stirabassi@stratfs.com>

Cc: Cameron Ball <cball@stratfs.com>, Soluri Jr, Ron <Ron.Soluri.Jr@freedmaxick.com>

Subject: RE: Success fee (phantom shares)

Ok, thanks for the update – copying in Ron too so he's aware.

We will have to have waivers from both CIBC and Credit Suisse in order to close out the audit. Typically we would just send a letter to the bank asking for waivers of the breached covenants - we've done initial calculations of the covenants

but will wait to update those once all audit work is completed and tied out including the valuation/ESOP pieces even though most of that is added back, just so we only have to ask for waivers once.

What do you see as the timeframe for getting the amendments resolved – our audit will be open anyway until the valuation firm has completed their work, and then Principal have to deal with the ESOP admin on their end which in previous years has been 4-5 weeks after we submit the drafts? If amendments are likely to be done in that time frame or shortly afterwards, we can wait to issue and try to have waivers included in the amendment.

Thanks.

MATT DOBSON, CPA, ACA

SENIOR MANAGER



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From: Salvatore Tirabassi < stirabassi@stratfs.com>

Sent: Thursday, March 17, 2022 06:18

To: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Cc: Cameron Ball < cball@stratfs.com > **Subject:** Re: Success fee (phantom shares)

Matt

I have not gotten the bank amendment documents from the bank yet.

We have had 3 bad enrollment months and we are reforecasting again. The bank knows this and we will have to have another negotiation with them.

How do you want to handle this regarding closing the audit?

ST

Salvatore Tirabassi Chief Financial Officer

E: stirabassi@stratfs.com





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From: Dobson, Matthew < Matthew.Dobson@freedmaxick.com>

Date: Thursday, March 17, 2022 at 6:15 AM To: Salvatore Tirabassi <stirabassi@stratfs.com>

Cc: Cameron Ball <cball@stratfs.com> Subject: RE: Success fee (phantom shares)

Yes, thank you.

MATT DOBSON, CPA, ACA **SENIOR MANAGER**

Trust aamed.



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From: Salvatore Tirabassi <stirabassi@stratfs.com>

Sent: Wednesday, March 16, 2022 16:02

To: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Cc: Cameron Ball < cball@stratfs.com> **Subject:** Re: Success fee (phantom shares)

Matt

The value should get added back to their notes. That is the intent of the language. It's because they should claw back value that they gave up.

Make sense?

ST

Get Outlook for iOS

Salvatore Tirabassi

Chief Financial Officer

E: stirabassi@stratfs.com





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From: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Sent: Monday, March 14, 2022 4:34:18 PM To: Salvatore Tirabassi <stirabassi@stratfs.com>

Cc: Cameron Ball <cball@stratfs.com> Subject: RE: Success fee (phantom shares)

Sorry, actually both pieces are wording I referred to below are within the employment agreements – it first states that payments will be made in line with payments on the Seller debt (which is inherently over a period greater than 5 years), but later states no payments after 5 years.

But in the ESOP sale agreement, it states in section 2.1 h) that for any forfeiture, due to failure to vest or no payments within the 5 years, the forfeiture will be reallocated to both sellers and non-seller executives. That seems to contradict itself as it implies there'll be a forfeiture, but then it'll get reallocated including to the non-seller executives?

MATT DOBSON, CPA, ACA **SENIOR MANAGER**

Trust semed.



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From: Salvatore Tirabassi <stirabassi@stratfs.com>

Sent: Monday, March 14, 2022 16:02

To: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Cc: Cameron Ball <cball@stratfs.com> Subject: Re: Success fee (phantom shares)

Matt

Can you send the language in the ESOP document?

ST

Salvatore Tirabassi

Chief Financial Officer

E: stirabassi@stratfs.com





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From: Dobson, Matthew < Matthew. Dobson@freedmaxick.com >

Date: Monday, March 14, 2022 at 4:00 PM

To: Salvatore Tirabassi <stirabassi@stratfs.com>

Cc: Cameron Ball <cball@stratfs.com> Subject: Success fee (phantom shares)

Hi Sal,

For the success fee that you and Cindy Sperling have related to the sale to the ESOP, the terms state no payment after December 2022, but then the ESOP documents state payment terms will follow those of the main seller debt.

Should this be shown as current or non-current liabilities for the 2021 financial statements? Cameron mentioned this to us briefly and I believe said you may be working on some amendments? Cameron, please correct me if I've misspoken here.

Thanks, Matt

MATT DOBSON, CPA, ACA SENIOR MANAGER



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